

Payroll

Fines and Penalties ARCHIVE

Large Employers (>250 employees) have to file their year end returns online.

Medium sized companies (50 – 249 employees) must file on line from 2005/6 and will also face the same penalty.

Small employers (50 or less employees) have until 2009/10 to file on line and are being encouraged to register and file earlier with tax credits from 2004/5.

Failure to file online could result in a penalty of £3000.

Penalties are based on the number of P14s filed and are as follows.

The penalty depends on the number of P14s that should be on the return.

Number of employees for whom P14s should have been on a return. Amount of penalty for 2004-05

	£
	Amount of penalty for 2005-06 to 2008-09
	£
1 – 49	0 0
50 – 249	0 600
250 – 399	900 900
400 – 499	1,200 1,200
500 – 599	1,500 1,500
600 – 699	1,800 1,800

700 – 799	2,100 2,100
800 - 899	2,400 2,400
900 - 999	2,700 2,700
1,000 or more	3,000 3,000

If an incomplete return is sent there is an additional penalty for an incorrect return if the omissions were made fraudulently or negligently. This applies whether the return is sent online or as a paper copy.

The penalty for not filing online is separate from the existing penalties for failing to make a return by 19 May filing date, and for fraudulently or negligently making an incorrect return. This was £500 (per 6months) at the time of the update.